SHRI MURASOLI MARAN : The application of the Singapore-Tata Airlines has been pending for the last two years. So recently, it came up before the FIPB. The FIPB is not the clearing authority. It is only a recommendatory body. It said that it would recommend the proposal for the consideration of the Cabinet Committee on Foreign Investment. So, I took it to the CCFI. The CCFI deferred it. That is the present position. So, a view has to be taken as soon as possible.

DR. T. SUBBARAMI REDDY : What are the *pros and cons* of it? You did not tell about it. I want to know what is the advantage or the disadvantage of it. Otherwise, what is the use? You must tell us.

SHRI MURASOLI MARAN : About what?

DR. T. SUBBARAMI REDDY : It is about the advantage or disadvantage of it, about the *pros and cons* of the flow. Otherwise, who will believe us?

SHRI MURASOLI MARAN : It falls within the present policy. 40 per cent foreign investment is allowed in airlines. That is the past Government's policy. Now, the Administrative Ministry, that is, the Ministry of Civil Aviation, wants to change the policy. It has come out with a request not to pass it until it comes out with a full-fledged policy. So, the matter has been deferred.

[Translation]

SHRI GEORGE FERNANDES : Mr. Speaker, Sir, the Hon'ble Minister has enclosed two documents with his reply and one of them is

[English]

> "Sector Specific Guidelines For Foreign Direct Investment."

[Translation]

Mr. Speaker, Sir, I wanted clarification on many things in this regard, though, I know you will not allow me to ask everything during the question Hour. Here he has mentioned about ports. Though he has not mentioned in terms of percentage the areas of operation in the port, to be handed over to foreigners, yet I know that the Narsimha Rao Government had decided hundred per cent transfer of port to a foreign company. Kandla port was handed over to the biggest American Multinational company, namely, Kargil but the more was thwarted by the local people and others who put a stiff resistance against it. I want to let the hon'ble Minister know that in any Indian port entry of any person carrying a camera is prohibited. I know it because throughout my life I have lived with port labourers. If a person is found selling any design or drawings of a port to any outsider, he is arrested and sent to jail as these involve the security of the country. In the event of any dispute of any war these are our ports who have got the jurisdiction regarding the deployment or movement of our war-ships and merchant ships. I want to put an example before you and ask question from the hon'ble Minister as to whether just for the sake of money from foreign countries, we should risk the security of our country? The Entire money of the country has been siphoned out for paying kick backs. Just a few days back the Swiss Ambassador had said in Nagpur that billions of rupees of your country is lying in Swiss banks.

[English]

MR. SPEAKER : Please ask the question.

[Translation]

SHRI GEORGE FERNANDES : It was said by the Swiss Ambassador 10 days ago. Money of our country is already being siphoned to other countries, now do you want to handover the security of our country also to them. Whenever I come out of a port or airport, I read the instruction "Photography Not Allowed", written prominently on some board but on the other hand, you are inviting the foreigners and requesting them to develop, take over and run the harbours. In such a situation, what will happen to the security of the country? Whether you will take decision to withdraw ports from foreigners and not to handover ports to foreigners, and if not, why?

[English]

SHRI MURASOLI MARAN : We will not compromise with the security of the country. But I do not know how the hon. Member is equating the ports with security. Nowadays, a cameraman may not be allowed, but from the Satellite, you can take the entire photograph. So, we should not live in the old world. Things are getting modern. What I want to say is that ports are the main form of infrastructure in this country.

Take for example, Mumbai. To enter the harbour, it takes several hours, several days, several weeks. So, ships are diverted. But whereas if we take some standard ports like Antwerp, the ships are cleared within few hours.

Therefore, we want modern technology. We have to modernize it. But the technology is not available here and the funds are not available. So, we have to privatize it. We will go case-by-case.

SHRI GEORGE FERNANDES : I am shocked to get the reply. I am absolutely shocked.

Handicrafts Export

* 4. SHRI N. DENNIS : Will the Minister of TEXTILES be pleased to state:

(a) whether the export of handicraft items has registered an upward trend during the current financial year;

(b) if so, the details thereof ; and

(c) the further steps taken to boost the export of such items?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) Yes, Sir. Exports of handicrafts including handknotted carpets have shown an upward trend during the current financial year. The achievement during April-December, 1996 reveals that exports have increased by 17.14% in

rupee terms and 15.49% in Dollar terms during April-December, 96 as compared to the figures of the corresponding period of the previous year.

(c) The steps taken by Government of India to boost export of handicrafts include: sponsoring of sales-cum-study teams abroad, participation in international fairs and festivals, organisation of buyer-sellers meets, annual Internatinal handicraft fair and International Carpet fair in India. Besides, the Government provides fiscal benefits to exporters which include; exemption of export income from income tax, duty drawback and import of raw wool at concessional rate of duty.

SHRI N. DENNIS : Sir it is seen that there is a considerable increase in the production and export of handicraft items and it has crossed the target..... *(Interruptions)*

MR. SPEAKER : Order, please.

SHRI N. DENNIS : Though our export has crossed the target, we should not be complacent with this because our country's share in the global market is still low despite India having a strong production base and also a large number of craftsman.

So, may I know from the hon. Minister what special and new strategies would be adopted for the enhancement of production and promotion of export of such item?

SHRI BOLLA BULLI RAMAIAH : Mr. Speaker, Sir, we have increased our production and expanded the export of handicraft items. From April, 1996 to December, 1996, there was a growth of 17.14 per cent in rupee terms and 15.49 per cent in dollar terms. In this connection, we have also arranged a number of exhibitions and fairs at Birmingham, Berlin, Tokyo, Hanover, Buenos Aires (Argentina) and Sao Paulo (Brazil). We have also organized buyer-seller meets so that they should have more important places to exchange. In lump sum, we have also provided, what is called, duty drawback, tax exemption, import concession by 10 per cent or at special rates.

We have also made some other provisions. When they asked for power supply at Muradabed, the Commerce Ministry also gave Rupees eight crore for the special line to be taken so that power interruption is not there.

These are some of the items on which we support them, in order to see that there is a considerable growth of this industry.

We have also arranged some special exhibitions on handicrafts in Azerbaijian in order to make sure that there is a more and more interaction of buyers with each other.

SHRI N. DENNIS : To achieve the target of Rs. 10,000 crore worth export of handicrafts by 2000 AD, have the government identified the non-traditional areas of new destinations or countries as new and emerging markets for the export of handicrafts? If so, may I know the promotional activities and programmes started by the Government to suit the taste and fascination of these countries?

SHRI BOLLA BULLI RAMAIAH : Sir, some of the non-traditional items like chick is there not only in Europe but also in Buenous Aires in Argentina, Sao Paulo in Brazil and South Africa. These are all non-traditional markets. We also give double the concession for exports to these areas. In addition to that, we have also given stress that some more exhibitions should be organized. We are also arranging one-to-one discussion so that our exports are encouraged in these areas and productivity is also increased.

KUMARI MAMATA BANERJEE : Sir, may I know from the hon. Minister whether it is a fact that becuase of their Export Pollcy, the textile industry and the cotton industry is suffering? Is it a fact that because of the negligence and lacuna in the Government policy, the employees of all the NTC mills and textile mills in the country are not getting their wages and salaries?

MR. SPEAKER : This is a question about handicrafts, Mamata ji, nothing to do with the NTC.

KUMARI MAMATA BANERJEE : But they stopped subsidies, Sir.

MR. SPEAKER : Do you have anything to ask on handicrafts because this is a specific question on handicrafts and not on NTC mills?

KUMARI MAMATA BANERJEE : Handicraft is involved in the Textile Ministry.

MR. SPEAKER : It may involve the Textile Ministry, but the question here is specifically about the export of handicrafts

..... *(Interruptions)*

KUMARI MAMATA BANERJEE : I am asking about textile exports

MR. SPEAKER : Why do you not read the question, Mamataji?

KUMARI MAMATA BANERJEE : Because they are going to export handicrafts.....*(Interruptions)*

MR. SPEAKER : You can ask, what are the handicraft items being exported from West Bengal.

KUMARI MAMATA BANERJEE : I am not asking only for West Bengal. If I asked it, it would have been better.What I am saying is that because the Ministry is going to export handicraft textiles from the other side, they have stopped the subsidy for the countryside people for the countryside textile handicrafts. That is why NTC mills and other textile mills, all are going to be closed down and so many are already closed down. The employees are not getting even their salaries and wages.

MR. SPEAKER : I am sorry, Mamataji. Now I am moving to Question No.5. Shri B.L. Shankar.

Fifth Pay Commission

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*5. SHRI B.L. SHANKAR :
DR. BALIRAM :

Will the Minister of FINANCE be pleased to state :